



Deputy Directors  
MICHAEL D. FORMBY  
FRANCIS PAUL KEENO  
BRIAN H. SEKIGUCHI  
JIRO A. SUMADA

IN REPLY REFER TO:

**STATE OF HAWAII  
DEPARTMENT OF TRANSPORTATION  
869 PUNCHBOWL STREET  
HONOLULU, HAWAII 96813-5097**

Board of Land and  
Natural Resources  
State of Hawaii  
Honolulu, Hawaii

CONSENT TO SUBLEASE, LEASE NO. DOT-A-09-0002  
DFS GROUP L.P. TO TIARE ENTERPRISES, INC.  
RETAIL CONCESSION, HONOLULU INTERNATIONAL AIRPORT OAHU

The Department of Transportation (DOT) is seeking the Board's consent for a sublease between the concessionaire under the Retail Concession Agreement at Honolulu International Airport and Tiare Enterprises, Inc.

PURPOSE:

To sublease a portion of the concession premises.

LEGAL REFERENCE:

Chapters 102 and 171, Hawaii Revised Statutes, as amended.

LESSEE/SUBLESSOR (APPLICANT):

DFS Group, L.P.

SUBLESSEE:

Tiare Enterprises, Inc., a Disadvantaged Business Enterprise (DBE).

LOCATION AND TAX MAP KEY:

Honolulu International Airport, Terminal Complex, 1<sup>st</sup> Division, 1-1-03: Portion of 1  
Honolulu International Airport, Honolulu, Island of Oahu, Hawaii.

ZONING:

State: Urban  
County: Industrial (I-2)

LAND STATUS

Honolulu – Section 5(a), Hawaii Admission Act – Ceded and Non-Ceded  
Concession Encompasses both Ceded and Non-Ceded Land, Space to be sublet is Non-Ceded. DHHL 30% entitlement lands Yes ☐ No ☒

CONCESSION AGREEMENT TERM AND PREMISES:

Concession Agreement No. DOT-A-09-0002 for the Retail Concession at Honolulu International Airport commences on April 1, 2009 and continues through March 31, 2014. Premises are comprised of the following:

Building 310, Space No. 203A.  
Building 341, Space Nos. 202C, 207D, 245, 255B, C, D and E.  
Building 342, Space Nos. 279, 281A, B, C, D and E. Space No. 282 and 220C1.  
Building 344, Space Nos. 208C and D. Space No. 245, 278A, 295A and B.  
Building 346, Space No. 269A.  
Building 350, Space No. 217, 218A, 247, 248, 249A.  
Building 360, Space No. 261 and 262.  
Building 363, Space No. 218A.  
Building 373, Space Nos. 264 and 265.  
Building 360, Storage (Non-Sales) Space No. 207C.

SUBLEASE TERMS AND PREMISES:

Sublease Term commence on April 1, 2009 and continues through March 31, 2014.

Premises consists of the following:

Building 341, Space 202C, approximately 178 sq. ft. and 207D at approximately 161 sq. ft. as shown highlighted on Exhibit C.  
  
Building 342, Space 282, consisting of an area of approximately 2,903 sq. ft. as shown highlighted on Exhibit F.

USE:

Retailing, selling and merchandising of only products Applicant may sell as provided for in the Concession Agreement.

CONCESSION FEE

Through the end of the Concession Agreement term in March 31, 2014, the fee shall be the greater of the minimum annual guarantee or 20% of gross receipts.

SUBLEASE FEE:

As set forth in the Tiare Enterprises, Inc. Sublease Agreement, the fee shall be the greater of the minimum annual guarantee of \$739,092 or 20% of gross receipts.

IMPROVEMENTS:

Applicant is required to make improvements at no less than \$1,495,000.00 for the Premises comprising of the sales space. The spaces under the sublease to be occupied by Tiare Enterprises, Inc. are a part of the sales space.

REMARKS:

Tiare Enterprises, Inc. is defined as a Disadvantaged Business Enterprise (DBE), in the Code of Federal Regulations, Title 49, Part 23, Subpart F and is certified by DOT. Pursuant to federal law and DOT policy, DOT's goal is to encourage DBE participation in airport concessions. Applicant is satisfying its DBE goal, as defined in the Concession bid documents, by subletting a portion(s) of the premises to a certified DBE.

RECOMMENDATION:

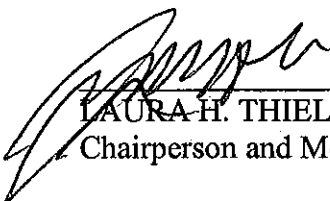
That the Board authorizes the DOT to consent to the sublease as hereinabove outlined so that the DOT may proceed to process the consent to allow the sublease to be consummated, subject to the review and approval of the Department of the Attorney General.

Respectfully submitted,

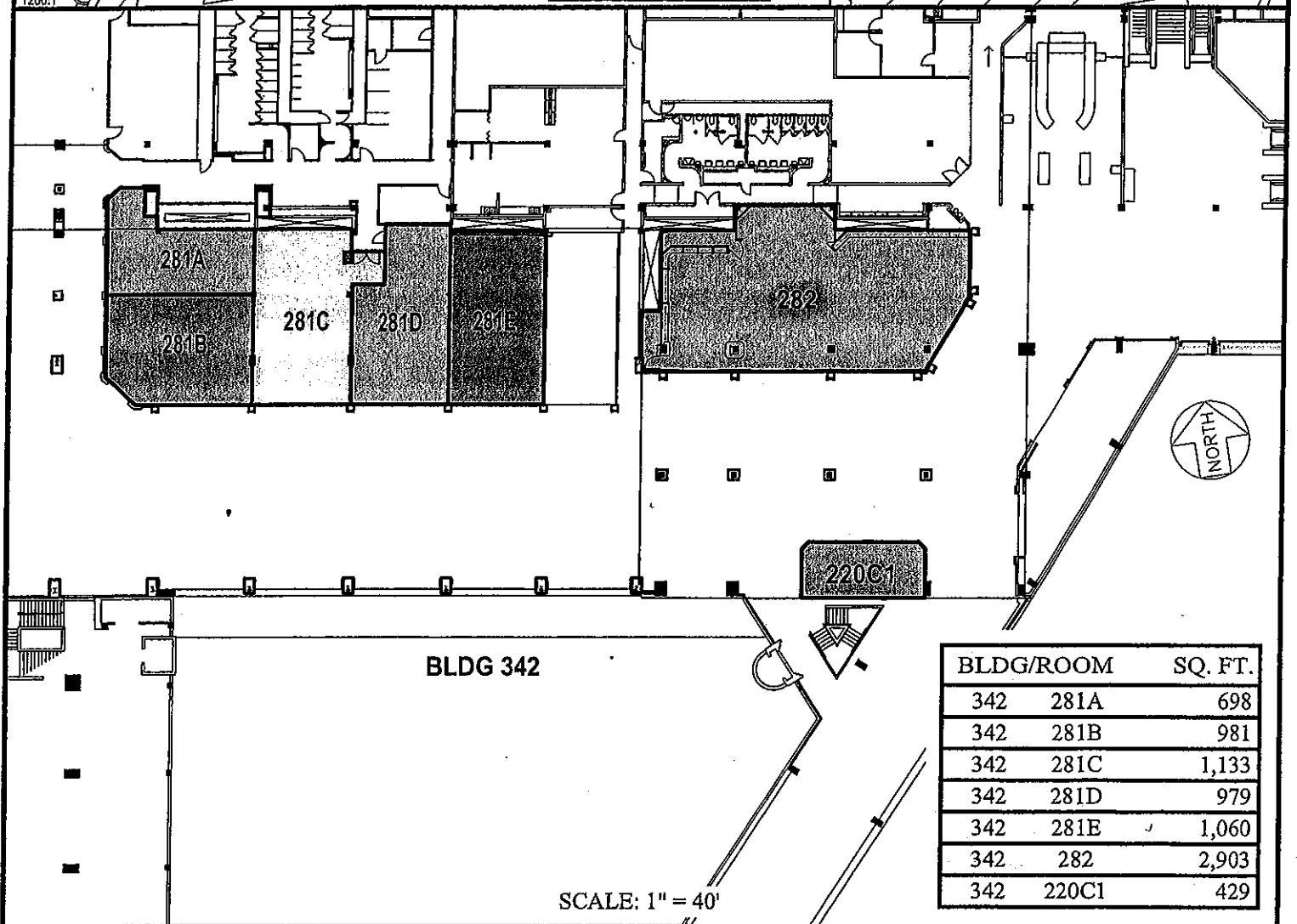
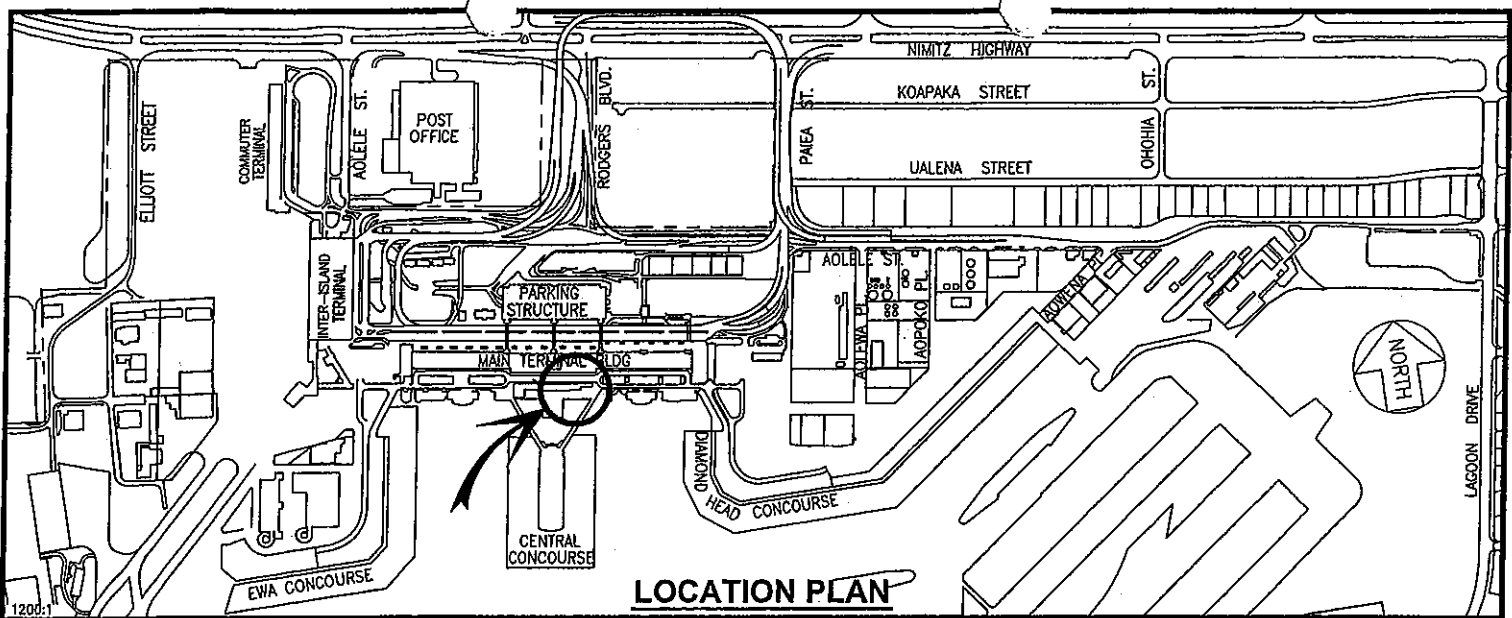


BRENNON T. MORIOKA, Ph.D., P.E.  
Director of Transportation

APPROVED FOR SUBMITTAL:

  
\_\_\_\_\_  
LAURA H. THIELEN  
Chairperson and Member





LEASE NO. DOT-A-09-0002

DATE : SEPTEMBER 2008

EXHIBIT: **F**



Airports Division

RETAIL CONCESSION

BUILDING 342  
WAITING LOBBY  
SECOND LEVEL

342281A-E  
342282,220C1

PLAT A2

HONOLULU INTERNATIONAL AIRPORT

N:\AIRPORTS\HNL\HONOLULU\CAD\PM\RETAIL CONCESSIONS SEPTEMBER 2008\EXHIBIT\_F.DWG